



Report to the Auburn City Council

15
Agenda Item No.

[Signature]
City Manager's Approval

To: Mayor and City Council Members
From: Valerie Harris, Chief
Date: July 27, 2009
Subject: Placer County Animal Control Services Contract Renewal

The Issue

Shall the City Council approve a three year agreement between the City of Auburn and Placer County Department of Health & Human Services for services relating to regulatory enforcement of animal laws, shelter care and placement for stray or unwanted animals, disposal of dead animals, and other specified animal services originating within the City of Auburn?

Conclusions and Recommendation

By RESOLUTION approve this agreement as presented for contract services from July 1, 2009 through June 30, 2012.

Background

The City of Auburn and Placer County Department of Health & Human Services (HHS) have, for years, maintained an ongoing contractual relationship for animal oversight and care regarding animal service calls originating within the Auburn City limits. While the City of Auburn employs an Animal Control Officer Monday through Friday, 8:00 am to 5:00 pm for response to animal calls, the City does not maintain a facility for shelter, care, placement or disposal of animals. The City at times must call upon HHS to provide after hours response for complaints generated within the City. The contract renewal period commencing on July 1, 2009 through June 30, 2012 provides uninterrupted field and shelter services to the City of Auburn with the goal of properly regulating, controlling, and ensuring proper treatment of the animal population in accordance with state and local law.

HHS maintains the Placer County shelter facility for housing of stray or unwanted animals. Shelter staff provides food, medical attention, and oversight of licensing and vaccination compliance by owners. Additionally, HHS staff makes every effort to reunite animals with their original owners or for possible adoption and placement to new homes. Contract services also include 24 hours per day, 7 days per week field response by animal control officers for the removal of dead stray domestic and wild animals. These same officers are also available to assist with disposal of dead animals, with animals considered a danger to the public, those requiring quarantine, and for large animals requiring special hauling equipment for transportation to the shelter.

HHS staff requires proof of licensure and vaccination of all animals prior to release to an owner which can result in revenue either to the County of Placer or to the City. Those revenues generated from licensing, impound or other fees collected by HHS for animals from the City, are in turn credited to the City each fiscal year. The revenue credits to the City beginning July 1, 2005 through June 30, 2008 totaled \$48,458.

A final accounting of revenue credits to the City as well as billable expenses to the City will be provided by HHS in August 2009.

HHS has provided appropriate documentation of actual costs for Animal Services originating from the City of Auburn commencing July 1, 2005 through June 30, 2008. The cost of HHS services during this three year period was \$75,391. The contract provided for a yearly discounted rate to the City of 60% and 80% respectively, which resulted in a final cost to the City of \$61,019. To date the City has paid a total of \$59,340 to HHS for services with a net amount of \$1,679 still owed. As previously stated, actual costs for FY 2008/2009 are pending. HHS anticipates billable expenses to the City for FY2008/09 will exceed previous billable amounts. HHS proposes spreading the City's overage costs over the next four quarters of FY2009/2010. This overage cost is expected to range from \$8,314 to \$10,114 depending on revenue credits for service earned during this same period. The remaining net amount of \$1,679 stated above and the final annual costs for FY 2008/09 will be equally distributed over the FY2009/10 for payment to HHS.

The county has proposed the 2009 – 2012 City and HHS service contract use an average of actual costs process for payment to HHS. This will eliminate the need for rate adjustments while ensuring an ongoing timely quarterly payment process. The quarterly payment amounts to HHS beginning 1st quarter FY 2009/10 will be \$7,409 compared to \$6,181 per quarter during FY 2008/09. HHS has provided a contract outlining specific services to the City, procedure for termination of said contract if desired, and their obligation to provide complete detailed records of work performed and billed/credited back to the City. (See attached contract)

Alternatives Available to Council; Implications of Alternatives

1. Approve, the Animal Services Agreement as presented with a three year term for services.
2. Take no action.

Fiscal Impact

Animal Services contractual costs are budgeted in the Police Department's General Fund non-personal services budget and are paid on quarterly basis.

Attachments

- Letter from Placer County Community Health & Clinics, Director dated June 30, 2009 addressing contract renewal beginning July 1, 2009 through June 30, 2012.
- Contract for Services July 1, 2009 through June 30, 2012
- HHS Cost reconciliation spreadsheet

RESOLUTION NO. 09-

RESOLUTION APPROVING PLACER COUNTY HEALTH AND HUMAN
SERVICES CONTRACT July 1, 2009 – June 30, 2012

THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

That the City Council of the City of Auburn does hereby authorize and approve a three-year agreement between the City of Auburn and Placer County Department of Health & Human Services for Placer County Animal Services beginning July 1, 2009 through June 30, 2012.

The City Manager of the City of Auburn is authorized and directed to execute the contract on behalf of the City of Auburn.

DATED: July 27, 2009

J. M. Holmes, Mayor

ATTEST:

Joseph G. R. Labrie, City Clerk

I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify that the foregoing resolution was duly passed at a regular meeting of the City Council of the City of Auburn held on the 27th day of July 2009 by the following roll vote on roll call:

Ayes:

Noes:

Absent:

Joseph G. R. Labrie, City Clerk



Placer County Health and Human Services Department

Richard J. Burton, M.D., M.P.H.
Health Officer and Department Director

Community Health, Clinics & Animal Services
Animal Services

June 30, 2009

Bob Richardson, City Manager
City of Auburn
1225 Lincoln Way
Auburn, CA 95603

Mark Starr, D.V.M., M.P.V.M.
Community Health & Clinics, Director
mstarr@placer.ca.gov

Patricia Orme, RN, PHN, MSN
Community Health & Clinics, Assistant Director
porme@placer.ca.gov

Michael Winters
Animal Services Program Manager
mwinters@placer.ca.gov

Dear Mr. Richardson,

This letter is to address your current four-year contract for animal services with Placer County expiring on June 30, 2009, and your new contract (enclosed) for July 1, 2009 through June 30, 2012.

As you recall, the current four-year contract set up quarterly payments based on estimates established in 2005. The contract calls for a review of actual costs with subsequent rate adjustments. The County has calculated these actual costs for the first three years of the current contract (2005-06 through 2007-08) and compared those with the amount the City of Auburn has reimbursed the County. Please see the attached spreadsheet.

- The actual cost of Animal Services for Auburn for July 1, 2005 through June 30, 2008 was \$75,391.
- Because the first two years of the contract provided you a discounted rate of 60% and 80% respectively, the discounted amount is \$61,019.
- Auburn has paid the County a total of \$59,340 during this period and, therefore, owes the County a three-year net amount of \$1,679.

For 2008-09, the fourth and final year of this contract, we will have your actual costs available in early August. For your planning purposes, we are currently projecting your service use will exceed your total payments in the range of \$8,314 to \$10,114. Once this amount is determined, it will be spread equally over the four quarters of 2009-10, and will include the three-year net amount of \$1,679 noted above.

To simplify this process by eliminating the need for rate adjustments, the 2009-2012 contract uses the average actual costs, including credits such as license and redemption fees, for the previous three years and spreads these across quarterly payments. Any additional charges referred to in Section 4.4 of the enclosed contract will be invoiced by the County quarterly. Before adjusting for the 2008-09 reconciliation noted above, your contract for 2009-10 includes a quarterly compensation of \$7,409 compared to \$6,181 per quarter last year.

Providing Auburn with critical animal services, including 24/7 emergency response, remains a top priority for us and we are pleased that even during this economic downturn we are able to continue this coverage without interruption.

We anticipate taking this contract to the Board of Supervisors on August 4 and would appreciate your timely signature and return of all three originals to Placer County Department of Health and Human Services, 379 Nevada Street, Auburn, CA 95603. We would be happy to meet with you to answer any questions you might have. Please call me or my Assistant Director Pat Orme at (530) 889-7141. Services will not be interrupted even though final signed copies from the County will not be available until August 4.

Sincerely,

Mark Starr, D.V.M., M.P.V.M

Enclosures: Cost Reconciliation spreadsheet
2009/12 Animal Services Contract (3 partially signed originals)



Animal Services - 11251 B Avenue, Auburn, CA 95603
530.886.5537 • www.placer.ca.gov • fax 530.886.5538



Placer County Animal Services
Cost Reconciliation Versus Contract Charges
Fiscal Years Ending June 30, 2006, 2007 and 2008

City/Town	Contract Year Ending	Patrol Costs	Shelter Costs	Revenue Credits	Net Cost	Contract Phase-In Pct.	Adjusted Contract Cost	Amount Charged	Net Amount Due to County or (City/Town)
Auburn	June 30, 2006	\$ -	\$ 37,020	\$ (16,393)	\$ 20,627	60%	\$ 12,376	\$ 14,835	\$ (2,459)
Auburn	June 30, 2007	-	40,407	(9,802)	30,605	80%	24,484	19,780	4,704
Auburn	June 30, 2008	-	46,422	(22,263)	24,159	100%	24,159	24,725	(566)
Total for Auburn		-	123,849	(48,458)	75,391		61,019	59,340	1,679

CONTRACT FOR SERVICES
PLACER COUNTY DEPARTMENT OF HEALTH & HUMAN SERVICES

DESCRIPTION:	Animal Control and Care Services
CONTRACT NO.	
BEGINS:	July 1, 2009
ENDS:	June 30, 2012
ADMINISTERING AGENCY:	Animal Control Division

This is an Agreement made and entered into the first day of July, 2009, between the COUNTY OF PLACER, hereinafter referred to as "COUNTY", and the CITY OF AUBURN, hereinafter referred to as "CITY", both parties being political subdivisions of the State of California.

Whereas, both COUNTY and CITY have the authority to regulate and control animals, and to provide care to stray and unwanted animals, and in conjunction therewith, to impound, take in and care for animals in accordance with the law, and

Whereas, both COUNTY and CITY have the authority to remove dead stray domestic and wild animals from public property and streets, and

Whereas, CITY may not have adequate resources to provide field and enforcement services related to domestic animals within the CITY, or facilities for the care and custody of stray impounded and unwanted animals, and for the adoption of homeless animals, and

Whereas, CITY desires that COUNTY house, care for, and offer animals for adoption at the Placer County Animal Care Center, operated by COUNTY and located at 11251 B Avenue, Auburn, and

Whereas, Government Code Section 51301 allows cities and towns to enter into contracts with counties for the performance of city and town functions, and

Whereas, it is acknowledged by both parties that COUNTY and CITY may, within the term of this Agreement, be working toward the establishment of an animal care facility in South Placer County, and that COUNTY may be temporarily operating from a South Placer facility during construction at its DeWitt Center shelter site, and

Whereas, it is understood and agreed by and between the parties to this Agreement that they wish to enter into this Agreement in order to establish their respective responsibilities in connection with such field and shelter services during the term of this Agreement,

Therefore, in consideration of the mutual covenants and agreements to this contract, it is understood and agreed by and between the parties as follows:

1. **DESCRIPTION OF SERVICES:**

- 1.1 Animals seized or picked-up by CITY within CITY'S jurisdiction shall be taken to the COUNTY animal care center operated and maintained by COUNTY at 11251 B Avenue, Auburn, CA. COUNTY Animal Care Center shall also accept animals presented by owners or others residing within the jurisdiction of the CITY.
- 1.2 COUNTY will keep, maintain, and care for animals at the COUNTY Animal Care Center until redeemed by owner or person entitled to custody thereof, or adopted, as governed by California Food and Agriculture Code Sections 31108, 31752, and 31753. Animals displaying a City of Auburn or City of Rocklin license tag shall become available for adoption or euthanasia after a period of ten (10) working days. Animals not displaying a City of Auburn or City of Rocklin license tag shall become available for adoption or euthanasia after the required impound period as mandated by California Food and Agriculture Code Sections 31108, 31752, and 31753. Adoption and euthanasia procedures shall be performed in accordance with California Penal Code Sections 597 and 599. COUNTY agrees to provide quarantine facilities to CITY and to provide quarantine kennels or kennels for extraordinary circumstances to CITY as a part of this Agreement.

- 1.3 COUNTY agrees to provide CITY with accurate quarterly impound reports regarding the disposition of CITY and COUNTY animals. COUNTY shall file annually with CITY its annual Fiscal Year End Report that sets forth the Animal Control Division activity and programs by areas served.
- 1.4 COUNTY shall dispose of all dead animals delivered to the Animal Care Center from CITY subject to Chapter 6 of the Placer County Code, and any other applicable laws or regulations.
- 1.5 COUNTY shall perform all functions in accordance with applicable California Penal Code, Health and Safety Code, and Food and Agriculture Code, and Placer County Code requirements, as periodically updated and amended, and in accordance with published California State policy statements regarding standards for animal control and care services. When COUNTY is providing field services to CITY, CITY codes that are in conformance with COUNTY Codes will be enforced by COUNTY in accordance with Chapter 6 of the Placer County Code. CITY codes not in conformity with COUNTY codes shall be enforced by CITY unless authority is delegated to COUNTY through CITY ordinance.
- 1.6 CITY animals with treatable injuries or illness will receive proper veterinary medical treatment as mandated by California Penal Code Section 597.
- 1.7 CITY Manager, or authorized designee may request COUNTY to provide additional animal control emergency or other relief services that CITY may desire. A request for services shall not, however, guarantee provision of said services which, if rendered, shall be at the discretion of the COUNTY Director of Animal Control. COUNTY will contact CITY to confirm whether the requested services will be provided. The costs relating to these services shall be additional to the quarterly rate calculated as described in Section 4.1, and shall be paid by CITY to COUNTY as follows:
 - 1.7.1 For any field services performed Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. the current hourly field service rate shall be charged, as set forth in COUNTY Code Section 2.116.130.
 - 1.7.2 For any emergency field services performed Monday through Friday between the hours of 4:00 p.m. and 8:00 a.m., Saturdays, Sundays, or official COUNTY holidays the current hourly after-hours rate shall be charged, as set forth in COUNTY Code Section 2.116.130.
 - 1.7.3 Field services shall include one animal control officer, one animal control vehicle and, if needed, one stock or horse trailer. If additional officers or equipment are required, appropriate fees shall be applied as set forth in COUNTY Code Section 2.116.130.
 - 1.7.4 Rates set forth in this section are subject to annual adjustment by the COUNTY Board of Supervisors. COUNTY shall notify CITY in writing of any such adjustment prior to applying the adjusted rates to services performed for CITY.
- 1.8 COUNTY shall furnish and supply all necessary labor, supervision, equipment, dispatching services, facilities, and supplies necessary to maintain the level of services to be rendered hereunder.
- 1.9 COUNTY shall collect fees from the public, and shall retain all such fees, in addition to payments made by CITY pursuant to this Agreement. Fees that are not direct offsets, such as spay/neuter fees, will be credited to CITY and reflected in the quarterly claim.

2. **DEFINITION OF TERMS:**

- 2.1 "Animal Care Center" shall be synonymous with the term "Animal Control Center" as defined in Placer County Code Section 6.04.020.
- 2.2 "Animal Control Division" is defined in Placer County Code Section 6.04.020 when used to describe a County division.
- 2.3 "Director of Animal Control" is defined in Placer County Code Section 6.04.020.

3. **AMENDMENTS:** This Agreement constitutes the entire agreement between the parties. Any amendments or changes to this Agreement shall be made in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representatives of both parties. However, in no event shall such amendments create additional liability to CITY or provide additional compensation to COUNTY except as set forth in this or amended Agreement.

4. **COMPENSATION:** Per Government Code Section 51350, a county that provides services to a city or town pursuant to contract shall charge the city or town all those costs that are incurred in providing the services so contracted or authorized.

- 4.1 The charges for all services set forth in Sections 1.1 through 1.6 shall be established each July 1st based on the average of costs incurred and fees received that are attributable to CITY over the most recent thirty-six month period for which data is available, to include services provided through March 31st. Charges effective as of July 1, 2009 are **\$7,409.00 per calendar quarter** and shall be subject to annual adjustment as described herein. CITY shall remit payment to COUNTY on a quarterly basis, within 30 days of the end of each calendar quarter.
- 4.2 CITY shall apply all billing adjustments resulting from reconciliation of actual costs for services rendered prior to July 1, 2009 to the first four (4) quarterly payments at the rate of 25% per quarter as detailed in Exhibit A, Billing Adjustments, after which time the entire adjustment amount will have been applied.
- 4.3 COUNTY shall notify CITY not later than June 1st of each year of the quarterly charges to be assessed effective July 1st in accordance with Section 4.1, and CITY shall remit payment to COUNTY on a quarterly basis based on this notification.
- 4.4 Charges for services provided in accordance with Section 1.7 shall be billed separately as detailed in Section 1.7. COUNTY shall submit a quarterly claim for any such charges, and CITY shall review, approve, and pay all valid invoices within 30 days of receipt. Invoices for payment shall be submitted to:

City of Auburn
Attn: Accounts Payable
1225 Lincoln Way
Auburn, CA 95603

5. **CONTRACT TERM:** This Agreement shall remain in full force and effect from July 1, 2009 through June 30, 2012. COUNTY agrees to complete all services and execute other duties contained within said Description of Services by September 30, 2012. This Agreement shall supersede all previous contracts between CITY and COUNTY for animal shelter and field services.

6. **TERMINATION:** Either party shall have the right to terminate this Agreement without cause; any such termination will be effective thirty (30) calendar days after written notice. CITY shall pay for services on a prorated basis to the date of cancellation, and COUNTY shall refund any payments received in excess of this prorated amount. Prorated amounts shall be based on the quarterly payment applicable at the time of termination.

7. **RECORDS:** COUNTY shall maintain, at all times, complete detailed records with regard to work performed under this Agreement in a form acceptable to CITY, and CITY shall have the right to inspect and copy such records at any reasonable time.

8. **INDEPENDENT CONTRACTOR:** In the performance of this Agreement, COUNTY, its agents and employees are, at all times, acting and performing as independent contractors, and this Agreement creates no relationship of employer and employee as between CITY and COUNTY. COUNTY agrees neither it nor its agents and employees have any rights, entitlement or claim against CITY for any type of employment benefits or worker's compensation or other programs afforded to CITY employees.

COUNTY shall be responsible for all applicable state and federal income, payroll and taxes and agrees to provide any workers' compensation coverage as required by California State laws.

9. **HOLD HARMLESS AND INDEMNIFICATION AGREEMENT:**

COUNTY agrees to indemnify and hold harmless CITY and CITY'S employees or agents from and against any damages including costs and attorney's fees arising out of negligent or intentional acts or omissions of COUNTY, its employees or agents.

CITY agrees to indemnify and hold harmless COUNTY, its employees, agents and elective and appointive boards from and against any damages including costs and attorney's fees arising out of negligent or intentional acts or omissions of CITY, its employees or agents.

This indemnification shall extend to claims, losses, damages, injury, and liability for injuries occurring after completion of COUNTY'S services, as well as during the progress of rendering such services. Acceptance of insurance required by this Agreement does not relieve COUNTY from liability under this indemnification clause. This indemnification clause shall apply to all damages or claims for damages suffered by COUNTY'S operations regardless if any insurance is applicable or not.

10. **NOTICES:** All notices required or authorized by this Agreement shall be in writing and shall be deemed to have been served if delivered personally or deposited in the United States Mail, postage prepaid and properly addressed as follows. Changes in contact person or address information shall be made by notice, in writing, to the other party.

If to COUNTY: Richard J. Burton, M.D., M.P.H., Director
Placer County Health and Human Services
379 Nevada Street
Auburn, CA 95603

If to CITY: Robert Richardson, City Manager
City of Auburn
1225 Lincoln Way
Auburn, CA 95603

11. **ENTIRETY OF AGREEMENT:** This Agreement contains the entire agreement of COUNTY and CITY with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer or agent of any party which is not contained in this Agreement shall be binding or valid.

12. **VENUE AND JURISDICTION:** The parties enter into this Agreement in the County of Placer, State of California and agree to comply with all applicable laws and regulations therein. Venue is the County of Placer for litigation purposes.

// Signatures on following page

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the day first above stated:

CITY OF AUBURN

COUNTY OF PLACER

Robert Richardson, City Manager

Chairman, Board of Supervisors

Date: _____

Date: _____

Approved as to Form

Richard J. Burton, M.D., M.P.H., Director
Department of Health & Human Services

Office of City Attorney

Date: _____

Date: _____


ATTACHMENTS

Exhibit A – Billing Adjustments

Mark Starr, D.V.M., M.P.V.M., Client Services
Director, Community Health and Clinics

Date: _____

Approved as to Form



Office of County Counsel

Date: 6/16/09

BILLING ADJUSTMENTS

Placer County Animal Services

Schedule of Billing Adjustments - City of Auburn

Contract Years Ended: 6/30/2006
 6/30/2007
 6/30/2008
 6/30/2009

Contract Year Ended	Contract Cost	Amount Charged	Net Amount Due to County or (City)
6/30/2006	\$ 12,376	\$ 14,835	\$ (2,459)
6/30/2007	24,484	19,780	4,704
6/30/2008	24,159	24,725	(566)
6/30/2009	TBD	24,725	TBD
	\$ TBD	\$ 84,065	\$ TBD
Contract Adjustment Amount - Per Quarter (see Section 4.2)			\$ TBD

Note: Billing adjustments related to the contract year ended June 30, 2009 will be calculated after the close of the County's fiscal year. All billing adjustments resulting from reconciliation of actual costs for services rendered from July 1, 2008 through June 30, 2009 shall be applied to the first four (4) quarterly payments at the rate of 25% per quarter.

